COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PROPOSED ADJUSTMENT OF THE WHOLESALE)
WATER SERVICE RATES OF THE) CASE NO.
HARLAN MUNICIPAL WATER WORKS) 2003-00358

ORDER

On August 26, 2003, Harlan Municipal Water Works (Harlan) filed to increase its existing rates for wholesale water service to Black Mountain Utility District (Black Mountain). Harlan proposed the new rates to become effective with the October 1, 2003 billing. On September 23, 2003, Black Mountain moved to intervene in any Commission proceedings on the proposed rate increase.

Having considered the proposed rate revisions and being otherwise sufficiently advised, the Commission finds that, pursuant to KRS 278.190, further proceedings are necessary to determine the reasonableness of the proposed rate revision. The Commission further finds that the intervention of Black Mountain is likely to present issues or to develop facts that assist the Commission in fully considering the matter without unduly complicating or disrupting this proceeding.

IT IS THEREFORE ORDERED that:

- Harlan's proposed rate revision is suspended for 5 months from October
 2003 up to and including February 29, 2004.
 - 2. The motion for full intervention by Black Mountain is granted.

Done at Frankfort, Kentucky, this 25th day of September, 2003.

ATTEST: By the Commission

Executive Director